

## **ATTACHMENT 2. Eligible Applicant Documentation**

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## **Local Public Agency**

The Montara Water and Sanitary District (MWSD or District) is a local public agency as defined in CWC Section 10701.a<sup>1</sup>. MWSD provides water, sanitary sewer, and solid waste disposal services to the coastal communities of Montara, Moss Beach, and adjacent areas located north of Half Moon Bay and south of Pacifica, in San Mateo County, California (see MWSD Service Boundary Map, File 2 of 4). The District owns and operates water storage, treatment, and distribution facilities (“water system” or “water infrastructure”) that provide potable water to over five thousand people. The water system serves 1,644 domestic accounts, over 95 percent of them residential connections, distributed among seven pressure zones. The water served is diverted from a surface water source, Montara Creek, and extracted from nine groundwater wells that withdraw water from Montara Creek and Denniston Creek groundwater basins. The system also includes a surface water treatment plant, three potable water storage tanks, and over 150,000 feet of distribution pipelines.

## **Formation of Montara Water and Sanitary District**

In May 2002, the Montara Sanitary District filed a condemnation action to acquire the local water system. The District’s filing came after the voters of Montara and Moss Beach, with 81 percent of the votes in favor, authorized the issue of up to \$19 million in general obligation bonds to purchase and rehabilitate the water system. The Board of Directors of the Montara Sanitary District, in a special meeting held on May 29, 2003, approved a Settlement and Asset Purchase Agreement with the California-American Water Company (Cal-Am), which owned the water system serving Montara, Moss Beach, and adjacent areas. The Agreement was negotiated under the auspices of the County of San Mateo Superior Court. The Agreement, approved on May 29, 2003, authorized the Montara Sanitary District to take possession of Cal-Am’s Montara Water System and all its assets on August 1, 2003. On August 1, 2003, California Department of Public Health (CDPH or Department, formerly Department of Health Services) approved the application for a permit amendment requested by the then re-named Montara Water and Sanitary District. Domestic Water Supply Permit No. 02-04-98P-4110010, issued on February 23, 1998 by CDPH to Citizens Utility Company of California and amended in 2002 when Cal-Am acquired the system, was again amended in 2003 to recognize the MWSD’s ownership and operation of the water system (see Water Rights, File 3 of 4 and Domestic Water Supply Permit, File 4 of 4).

## **Legal Authority to Enter Agreement with the State of California**

MWSD has legal authority to enter into a grant agreement with the State of California and has done so with the Department of Water Resources and the California Department of Public Health (see Attachment 9: File 1 of 5). The District has received funding from the Department of Water Resources in 2003 through Local Groundwater Assistance Fund (AB303) to assess the local Martini Creek sub-basin and in 2005 as part of the Bay Area Integrated Regional

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<sup>1</sup> CWC §10701(a)As used in this part, “local agency” means any city, county, district, agency, or other political subdivision of the state for the local performance of governmental or proprietary functions within limited boundaries.

Water Management Plan. The District has recently entered into a funding agreement with the California Department of Public Health for a State Revolving Fund (SRF) planning loan to design a centralized MWSD Airport Wells Water Treatment Plant.

### **Legal Agreements Performance**

Montara Water and Sanitary District (MWSD or District) relies mostly on groundwater resources for the system it has acquired in 2003 from a private company. For the past eight (8) years, the District has implemented over 20 significant capital projects, studies, and monitoring programs, some self-funded and many with funding assistance provided by various agencies at the State of California. During the past 8 years, MWSD has not only demonstrated its continuous and consistent commitment to protecting groundwater resources and being an environmental steward on the California coast, it also contributed significantly to the knowledge base for those precious and fragile natural resources.

The District's commitment and contribution is demonstrated in its management and participation in three (3) State-funded programs, a Local Groundwater Assistance (LGA), a San Francisco Bay Area Integrated Regional Water Management Plan (IRWMP), and a Water Desalination Grant funded through from through the Department of Water Resources (DWR) Proposition 50 grant programs. The District's work with DWR on these and other programs demonstrated how work was completed on schedule, within the budget, and with outstanding results. Moreover, participation in those programs, has allowed the District to continue groundwater monitoring and placed the District in an excellent position to lead the Groundwater Management Plan effort associated with the current LGA funding application.

The Past Performance section of this application describes in detail the state-funded projects demonstrating the past successful performance of MWSD (see Attachment 9: File 1 of 5). These projects demonstrate the District's continuous commitment to managing groundwater resources on the Mid-Coast and its contribution to the State in terms of groundwater management, monitoring, and data collection.